

ADM-12.06, "Employee Bonding and Liability Insurance," December 1, 2000
SCDC POLICY/PROCEDURE

NUMBER: ADM-12.06

TITLE: EMPLOYEE BONDING AND LIABILITY INSURANCE

ISSUE DATE: DECEMBER 1, 2000

RESPONSIBLE AUTHORITY: DIVISION OF BUDGET AND FINANCE

OPERATIONS MANUAL: ADMINISTRATION

SUPERSEDES: ADM-12.06, ADM-12.06(OP) (April 30, 1999)

RELEVANT SCDC FORMS/SUPPLIES: NONE

ACA/CAC STANDARDS: 3-ACRS-1B-02, 3-ACRS-1B-14, 3-4027, 3-4041, 3-4190

STATE/FEDERAL STATUTES: NONE

PURPOSE: To establish criteria to be followed when purchasing insurance services to adequately protect the South Carolina Department of Corrections (SCDC).

POLICY STATEMENT: In compliance with state guidelines, the Agency will maintain liability insurance in such amounts so as to adequately protect itself from actions, suits, and other claims arising as a result of accidents, negligence, and/or other acts by the Agency, its employees, and inmates under its jurisdiction as well as from theft or willful wrongdoings on the part of Agency employees while they are engaged in official Agency business. (3-ACRS-1B-14, 3-4041, 3-4190)

SPECIFIC PROCEDURES:

1. EMPLOYEE BONDING:

1.1 Employee blanket bonding will be reviewed on each policy anniversary date by the Chief Financial Officer and the General Counsel to determine the limits of bonding needed. Any change in the amount of blanket bond for specific individuals or all employees must be submitted to and approved by the Deputy Director for Administration.

1.2 Bonding of the Agency Director and the Chief Financial Officer will be reviewed on the bond renewal date by the Chief Financial Officer and the Deputy Director for Administration, who will approve any changes in the bond. (3-ACRS-1B-02, 3-4027)

1.3 Interim reviews of bonding may be made at the direction of the Deputy Director for Administration.

1.4 The Chief Financial Officer will maintain copies of the bonds as well as any information pertinent to bonding activity.

2. LIABILITY INSURANCE:

2.1 The Chief Financial Officer will be responsible for coordinating and providing information pertaining to liability insurance that is underwritten. Such insurance will be determined by competitive bid and will be overseen by responsible officials of the State of South Carolina. (3-ACRS-1B-14, 3-4041, 3-4190)

2.2 The Chief Financial Officer will be responsible for coordinating with the Deputy Director for Administration all other liability insurance established within the Agency. Coordination will commence once insurable areas are identified and will include the duty to coordinate existing policy as appropriate.

2.3 Liability insurance coverage will be provided for, but not limited to, the following:

2.3.1 General Tort Liability Insurance: This policy covers claims for damages because of:

- personal injury or damage to personal property proximately caused by any employee or member of the Palmetto Unified School District #1 Board of Trustees while engaged in action within the scope of his/her employment with the Agency or service on the Board;
- errors and omissions in the design and construction of physical facilities/institutions; and
- breach of duty arising from any negligent act, error, or omission of an employee while engaged within the scope of his/her employment with the Agency.

2.3.2 Vehicle Liability Insurance:

- All vehicles owned by the Agency will be insured regardless of whether they are driven by employees or inmates. Liability limits and the policy underwriter are determined by the State of South Carolina.
- Employees personal vehicles driven for official business will not be covered by the Agency's vehicle liability insurance policy. Employees must provide their own coverage for personal vehicles when they are used for business purposes. (Refer to SCDC Policy/Procedure OP-20.02, "Transportation Management," for additional information.)

2.3.3 Professional Liability Insurance: All employees ineligible for coverage under General Tort Liability Insurance will be covered by appropriate additional policies that will insure them against claims stemming from injury or damage sustained while they are engaged in actions within the scope of their employment. (3-ACRS-1B-14, 3-4041, 3-4190)

3. DEFINITION:

Chief Financial Officer, for purposes of this policy/procedure, refers to the Chief, Financial Accounting Branch.

SIGNATURE ON FILE

s/ William D. Catoe, Director

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